



RISHI PACKERS LIMITED

24TH ANNUAL REPORT 2007-08

BOARD OF DIRECTORS

Mr. H. B. Patel, **Chairman**
 Mr. P. J. Patel, **Director**
 Mr. A. N. Nopany, **Director**
 Mrs. Smita Patel, **Whole-Time Director**

COMPANY SECRETARY

Mr. Vasant Goray

AUDITORS

Alladi Krishnan & Kumar
 4, Marshal, Mogal Lane,
 Mahim, Mumbai - 400 016.

BANKERS

Canara Bank,
 Tamarind Lane Branch,
 Calcot House, Fort,
 Mumbai – 400 023.

REGISTRARS AND TRANSFER AGENTS

Adroit Corporate Services Pvt. Ltd.,
 19, Jaferbhoy Industrial Estate,
 1st Floor, Makwana Road,
 Marol Naka, Andheri (E),
 Mumbai – 400 059.

REGISTERED OFFICE

612, Veena Killedar Industrial Estate,
 10/14, Pais Street, Byculla (W),
 Mumbai – 400 011.

WORKS**Unit I**

Survey No. 381, Causeway Road,
 Village Kachigam, Taluka Daman,
 Union Territory of Daman & Diu.

Unit II

Plot No. 277/3/3,
 Dadra Demni Road,
 U.T. Of Dadra & Nagar Haveli.

CONTENTS	Page No.
Notice	2
Directors' Report	5
Corporate Governance Report	7
Declaration of The Managing Director	11
Auditors' Certificate	12
Management Discussion & Analysis	13
Auditors' Report	15
Balance Sheet	18
Profit & Loss Account	19
Cashflow Statement	20
Schedule Forming part of Accounts	21
Notes to Accounts	25
Balance Sheet Abstract	28



RISHI PACKERS LIMITED

NOTICE

Notice is hereby given that the 24th Annual General Meeting of Rishi Packers Limited will be held on Monday, the 29th day of September, 2008 at 11.30 a.m. at Indian Merchants' Chamber, H. T. Parekh Conference Room, 4th Floor, IMC Marg, Churchgate, Mumbai 400020 to transact the following business:

As ordinary Business

- 1 To receive, consider and adopt the Audited Balance Sheet as on 31st March 2008 and the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
- 2 To appoint a Director in place of Mr. Pranav Patel, who retires by rotation and being eligible offers himself for re-appointment.
- 3 To appoint Auditors and to fix their remuneration.

As Special Business

- 4 To consider and if thought fit, to pass with or without modifications the following Resolution as an Ordinary Resolution.

Resolved That Mrs.Smita Patel be and is hereby appointed as a Director of the Company subject to retirement by rotation.

- 5 To consider and if thought fit, to pass with or without modifications the following Resolution as a Special Resolution.

Resolved that pursuant to the Provisions of sections 198,269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby approves the appointment of Mrs. Smita Patel as Whole-Time Director of the Company, for a period of Three Years from 1st of October, 2007, on remuneration and Perquisites and other terms and conditions not exceeding the maximum limits specified in Schedule XIII as set out in the Draft of the Agreement to be entered into between the Company and Mrs. Smita Patel, placed before this Meeting and initialed by the Chairman for identification and the Board of Directors be and is hereby authorised, with the acceptance of Mrs. Smita Patel and with the consent of Central Govt., or any other authorities, where necessary, to vary or increase or enhance the Scope of the Remuneration or Perquisites as and when deem fit.

Resolved Further that the Secretary be and is hereby authorised to do all such Acts, Deeds, Matters and things as may be considered necessary, proper and expedient to give effect to this resolution.

Resolved Further that in the event of loss or inadequacy of profits Mrs. Smita Patel be paid Remuneration to the extend provided in Schedule XIII.

Registered Office: -

612,Veena Killedar Industrial Estate
10-14, Pais Street, Byculla (W), Mumbai- 400011.

By Order of the Board
For Rishi Packers Ltd.

Vasant Goray

Company Secretary

Dated 30th June, 2008

NOTES

- A A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
- B Register of Members and Share Transfer Books of the Company will remain closed from 23rd September to 29th September 2008 (both days inclusive).

C Reappointment of Director

Mr. Pranav Patel aged 39 years is a Commerce Graduate with over 18 years business experience. He has been acting as Director since September, 2002 He retires by rotation and is eligible for reappointment. He is the Managing Director of M. P. Dye Chem Industries Pvt. Ltd.

Explanatory statement pursuant to section 173 of the Companies Act 1956**Item No 4 and 5 of Notice**

Mrs. Smita Patel was appointed as Additional Director with effect from 1st October, 2007. She holds office only upto the date of ensuing Annual General Meeting. The Company has received notice under section 257 of the Companies Act, 1956 from a member signifying his intention to propose her appointment as Director of the Company.

Mrs. Smita Patel Aged 44 years was also appointed as Whole-Time Director of the Company with effect from 1st October, 2007. Mrs. Smita Patel is a graduate and has been associated with the development of Shade Nets. She has over six years experience in this field.

The terms and conditions of her appointment are set out in the Agreement to be entered into between the Company and the Whole-Time Director. The draft Agreement contains interalia, the following terms and conditions.

1. Period	Three years with effect from 1st October, 2007.
2. Remuneration Salary per month	Rs. 50000 to 100000 as may be decided by the Board.
Commission	Not exceeding 1% of Net profits.
Perquisites	Perquisites will be limited to an amount equal to salary.
Housing	House rent allowance up to 50% of salary. In case of rented accommodation, rent up to 50% of Salary will be paid to the Managerial Person.
Expenses on Gas Electricity, water and Furnishing	Not exceeding 10% of salary (valued as per Income Tax Rules).
Leave	One month for every eleven months of service. Leave accumulated and not availed can be encashed at the end of each year or at the end of tenure.
Medical Reimbursement	Reimbursement of expenses incurred for self And family.
Leave travel concession	Plane fare for self and family once in a year to any Place within the country.
Personal Accident Insurance	Personal Accident Insurance for an amount, the Annual premium of which does not exceed Rs.10,000/.
Provident Fund	a) Company's contribution towards PF-not exceeding 12% of salary b) Company's contribution towards Superannuation fund as per the rules of the Company.



RISHI PACKERS LIMITED

Gratuity	One months' salary for each completed year of service.
Car	Free use of Company maintained car with chauffeur.
Telephone	Free Mobile phone and basic telephone facility at home.
Performance Bonus	As may be decided by the Board based on the performance but not exceeding an amount equal to salary.

Family means the Spouse, the dependent children and dependent parents of the Managerial person.

Contribution towards PF, Gratuity and Superannuation fund will not be included in the Computation of ceiling on perquisites to the extent these either singly or taken together are not taxable under the Income Tax Act.

3. The Special Resolutions contained in item no. 5 of the Notice seeks to approve the appointment of Whole -Time Director on remuneration and terms set out in the draft of the proposed Agreement between the Company and the Whole -Time Director, a copy of which will be available for inspection at the registered office of the Company on any working day up to the date of Annual General Meeting between 11 a.m. and 1 p.m. excluding Saturdays, Sundays and Holidays.
4. The above shall be treated as abstract of the draft Agreement between the Company and the Whole -Time Director pursuant to Section 302 of the Companies Act, 1956.
5. In case of absence or inadequacy of profits in any financial year, the remuneration stated above subject to limits of Schedule XIII will be paid as Minimum Remuneration to the Whole -Time Director.

The Board recommends her appointment. No Director other than Mr. Harshad Patel and Mrs. Smita Patel is interested in the Resolution.

Registered Office :-

612, Veena Killedar Industrial estate,
10-14, Pais Street , Byculla (W),
Mumbai 400011.

**By Order of the Board
For Rishi Packers Ltd.**

Vasant Goray
Company Secretary

Dated 30th June, 2008

DIRECTORS' REPORT**FINANCIAL RESULTS**

	Rs. in Lacs	
	2007-08	2006-07
Total Income	2976.41	3351.15
Earning before Interest & Depreciation	207.46	380.30
Interest	174.40	157.30
Depreciation	174.80	160.30
Profit before Tax	(141.74)	62.70
Provision for Tax	1.89	8.80
Profit after Tax	(143.63)	53.90

OPERATING RESULTS

During the year the Company achieved sales of Rs. 2976 lacs as compared to Rs.3351 lacs achieved in the previous year. As compared to previous year the Sales were lower by Rs.375 lacs.

Operations during the year resulted in a loss of Rs.143.63 lacs as compared to a profit of Rs.53.90 lacs in the previous year. The raw material prices went up steeply during the year from Rs.77 per kg. in April 2007 to Rs. 105 per kg in March, 2008. We were not able to pass on this increase entirely to our customers and had to absorb most of the increase.

DIVIDEND

In view of the Losses suffered by the Company, the Directors regret their inability to declare dividend.

CURRENT YEAR

Sales during first two months of the current year are Rs.475 lacs as compared to Rs.556 lacs in the same period in the previous year. With steep increase in the cost of raw materials, the Company is facing paucity of working capital. Rise in the rate of interest will have an adverse effect on the company's financials.

The Company has received orders for high value cement bags and also expects large orders for knitted fabrics. The Board is optimistic that operations in the second half of the current year will show improved results.

INSURANCE

All the properties of the Company have been adequately insured against fire, riot, earthquake, and various other risks.

FIXED DEPOSITS

During the period under report, the Company has accepted deposits amounting to Rs.1.70 lacs from public. The total deposits outstanding at the end of the year amounts to Rs.64.01 lacs.

DIRECTORS

Mr. Pranav Patel retires by rotation and being eligible, offers himself for re-appointment.

Mrs. Smita Patel was appointed as an Additional Director of the Company on 1.10.2007 to hold office till the date of ensuing Annual General Meeting. She is eligible for appointment as Director of the Company.

DIRECTORS RESPONSIBILITY STATEMENT

Your Directors hereby Report:

- A That in the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure, if any.



RISHI PACKERS LIMITED

- B. That the Directors have selected such Accounting policies and applied them Consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company as at March 31, 2008 and of Profit and Loss account for the year ended March 31, 2008.
- C. That the Directors have taken proper and sufficient care for the maintenance of Adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- D. That the Directors have prepared the Accounts on a going concern basis.

PARTICULARS OF EMPLOYEES

During the year under Report, no employee has drawn remuneration in excess of the limits laid down under Section 217 (2A) of the Companies Act, 1956.

THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

The information required to be disclosed is set out in Annexure.

AUDITORS

M/s. Alladi Krishnan & Kumar, Chartered Accountants, Statutory Auditors of the Company retire and offer themselves for re-appointment. The Company has obtained the requisite certificate required under section 224 of the Companies Act, 1956 to the effect that their re-appointment, if made, will be in conformity with limits specified in the said section.

APPRECIATIONS

The Directors place on record their appreciation of the efficient and loyal services rendered by the Staff and workmen as also help and guidance received from Financial Institutions and Canara Bank.

Place Mumbai
Date 30.6.2008

By Order of the Board
Harshad B. Patel
Chairman

ANNEXURE

THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS RULES, 1988)

(A) CONSERVATION OF ENERGY

The Company has made changes in some of its extruders which reduces the consumption of energy by 10%. The form 'A' prescribed under the rules is not applicable to the Company.

(B) TECHNOLOGY ABSORPTION

The company has been constantly improving the quality of the products to suit the requirements of customers. No specific amount is earmarked for R&D. The Company has installed new Machines as well as modified existing machines to improve the quality of its products.

TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION

The Company has not imported any Technology.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The earning in foreign exchange on Export of bags and fabrics amounts to Rs.306.49 lacs. Expenditure in foreign currency on account of Travelling Rs. 0.98 lacs, on account of Spares and Components Rs. 6.51 lacs and on account of Raw Materials Rs 6.52 lacs.

CORPORATE GOVERNANCE REPORT

STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's Philosophy on Corporate Governance aims at attaining the highest level of Professionalism, honesty and integrity, besides transparency and accountability towards its stakeholders including shareholders, employees, the government and lenders.

The Company has fully complied with the requirements of Corporate Governance under the revised clause 49 of the listing agreement.

BOARD OF DIRECTORS (As on 31.3.2008)

The Company has four Directors. During the year one of the promoter Director resigned and another Promoter Director was appointed. There is no Nominee Director on the Board. There are two Promoter Directors and two independent Directors on the Board.

No Director of the Company is either member of more than ten committees and/ or Chairman of more than five committees across all Companies in which he is Director and necessary disclosures to this effect has been received by the Company from all the Directors.

During the year, in all Five Board meetings were held i.e. on 14th April 2007, 29th June 2007, 30th July 2007, 30th October 2007 and 29th January 2008. The time gap between any two meetings was not more than 4 months.

The details of Directors and their attendance record at Board Meetings held during the year, at last Annual General Meeting and number of other directorships and chairmanships/memberships of committees is given below:

The Company has five Directors

Name	Category	Other director Ships	Committee Member-ships/ chairman-ship #	Attendance At Board Meetings	Attendance atAGM	Share holding of Non Executive Directors
Mr. H.B.Patel	Promoter/ Executive	1	3	5	Yes	N.A
Mr. A.N.Nopany	Non-Promoter/Independent	Nil	3	4	No	Nil
Mr. P.J.Patel	Non-Promoter/Independent	Nil	3	4	No	1767
Mrs. Smita Patel*	Pomoter / Executive	Nil	Nil	2	N.A.	N.A.
Mr. K.B.Patel**	Promoter/ NonExecutive	Nil	Nil	Nil	Nil	153232

* Appointed as Additional Director w.e.f.1.10.2007

** Resigned w.e.f. 17.12.2007

While considering the memberships/chairmanships only Audit Committee and Shareholders and Investor Grievance Committee are considered.

Code of Conduct

The Board has laid down a Code of Conduct for all Board members and senior management personnel of the Company. All Board members and senior management personnel have affirmed compliance with the code for the year ended on March 31, 2008. Declaration to this effect signed by the Managing Director of the Company for the year ended on March 31, 2008 has been included elsewhere in this report.

COMMITTEES

1) Remuneration Committee

Remuneration Committee approves the remuneration payable to the Managing Director and senior executives.



RISHI PACKERS LIMITED

The Committee met on 27th September, 2007 to finalise the remuneration payable to Whole-Time Director. Managing Director and Whole Time Directors are paid remuneration. Other Directors are paid sitting fees of Rs. 500/ per Board Meeting.

Managing Directors remuneration

Period	Three years from 1.4.2005
Salary	70,000 per month in the grade of 70000-50000-80000
HRA	50% of salary per month

Besides the above the Managing Director is entitled to perquisites such as PF, Gratuity, Medical LTA, Telephone, Car, Accident Insurance.

Total Remuneration received by the Managing Director during the year 2007-08 amounts to Rs.15.33 lacs.

Whole Time Directors Remuneration

Period	Three years from 1.10.2007
Salary	Rs.50,000 per month
HRA	50% of salary per month

Besides the above, the Whole-Time Director is entitled to perquisites such as PF, Gratuity, Medical, LTA, Telephone, Car, Accident Insurance.

Total Remuneration received by the Whole-Time Director during the year 2007-08 amounts to Rs.3.00 lacs.

2) Audit Committee

The Audit Committee consists of three Directors, Mr. P. J. Patel, Mr. Arvind N. Nopany and Mr. Harshad Patel out of which two are independent Directors.

The terms of reference to the Committee broadly are as under:

1. Reviewing the quarterly and annual financial statements before submission to the Board.
2. Recommending to the Board the appointment, reappointment of the statutory auditors and fixing their remuneration.
3. Reviewing the internal control system and internal audit function.
4. Discussing with internal auditors failure in internal control system and recommending measures for improvement.
5. Discussing with statutory auditors about the nature and scope of audit and post audit discussions on any area of concern.
6. To look into any defaults in payment to depositors, shareholders and creditors.

The Committee met on 29.6.2007 to consider the Annual Accounts for the year ended 31.3.2007, on 30.7.2007 to consider quarterly unaudited results for the quarter ended 30.6.2007, on 30.10.2007 to consider the half yearly results for the half year ended 30.9.2007 and on 29.1.2008 to consider the Nine months unaudited results for the period ended 31.12.2007.

3) Shareholders/ Investors Grievance Committee

The Committee consists of two independent Directors, Mr. Arvind N. Nopany and Mr. Pranav Patel. The Committee has been constituted to look into redressal of shareholders complaints and correspondence with SEBI and the Stock Exchange.

There are no complaints pending with the company.

General Meetings

21st AGM - Friday, 23.9.05 at 1 p.m - Killachand Conference Room, IMC, Churchgate, Mumbai 400020.

22nd AGM - Wednesday, 27.9.06 at 1 p.m - Killachand Conference Room, IMC, Churchgate, Mumbai 400020.

23rd AGM - Tuesday, 25.9.07 at 1 p.m - Killachand Conference Room, IMC, Churchgate, Mumbai 400020.

24th AGM - Monday, 29.9.08 at 11.30 a.m - Indian Merchants' Chamber, H.T. Parekh Conference Room, 4th Floor, IMC Marg, Churchgate, Mumbai 400020.